BEHAVIORAL HEALTH
ALLIANCE OF MONTANA

August 1, 2018

TO: Montana Governor's Office and Montana DPHHS.
FROM: Behavioral Health Alliance of Montana.
RE: DPHHS Budget Restoration

First, we extend our appreciation to the Governor's Office and Montana DPHHS for inviting providers to be a part of the solution to the state's behavioral health problems and for the opportunity to create a sustainable, evidence-based, outcome-producing behavioral health system in Montana.

The community-based behavioral health system was implemented in Montana in the early 1970s as a response to the 1963 Mental Health Act signed by President Kennedy. The intent of the Act was to move children, youth and adults with behavioral health needs from higher cost and less effective institutional treatment settings to lower cost and more effective community-based treatment.

The cuts implemented since January 1, 2018 are resulting in the unintended dismantling of this community-based mental health system and state addiction provider network. Children, youth and adults with mental health and substance use disorders are losing key portions of their community-based behavioral health care, and increasingly moving to higher acuity and more costly levels of care. Rural communities are disproportionally impacted, with shuttered centers, Home Support Services cancelled, and other diminishing services. Further, new rules that restrict the number of services received per day leave rural residents with the unattainable need to travel multiple days per week. Behavioral health providers are accustomed to meticulously managing tight budgets; however, these cuts translate to a 10-15% loss of revenue for many of the larger agencies and centers, leading again to many fewer services and more limited service areas for the citizens of Montana.

As behavioral health providers, we commit to partnering with the State to craft a sustainable behavioral health system that provides quality, effective treatment and outcomes in care to help its most vulnerable citizens. An individual can be treated in an outpatient community setting for about $3,000 *per year* rather than the much higher costs *per day* to house and treat an individual at the Montana State Hospital or MCDC. The Behavioral Health Alliance of Montana strongly suggests we move to a value-based purchasing system for Montana. In a value-based purchasing system, the behavioral health agencies are responsible for managing the care of the patients they see and treat daily rather than adding another layer of bureaucracy and paperwork to an already over-taxed system.

Quality behavioral health education, prevention, treatment, recovery support and related services are available and accessible to people, families and communities in need

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To enact a value-based purchasing system, the State and providers must work together to create reasonable quality-based outcomes that can be measured by providers and provided to the State to ensure the appropriate treatment of people within the system. Working together, we can craft a system that reduces the cost of using a third-party to "manage" care of Montana citizens and allows the providers to use their professional skills to "treat" Montanans appropriately given their individual condition and circumstances.

As the Governor's Office looks at reinstating funds for behavioral health, it is imperative that we work to make the system fair, equitable, humane, and sustainable to the Montanans who use the system. The Behavioral Health Alliance of Montana respectfully requests the following:

1. **Reinstate the 2.99% Medicaid across-the-board cut that impacted every Medicaid provider in the state of Montana.** Medicaid already pays well below cost for most services and this cut unfairly penalized the providers willing to accept Medicaid's low rates, which are on average 60% lower than traditional insurer rates. Mental health centers and substance use providers have been forced to close rural offices and cancel services due to this reduction in reimbursement, and there are already too few behavioral health providers in the rural areas of Montana.

2. **Reinstate or offer relief for Targeted Case Management reimbursement at a living wage**. Case Managers are the frontline of keeping clients in the community. Without Case Managers, many clients who can otherwise live independently in the community are accessing care through hospital emergency departments, community health systems, detention facilities, and physicians' offices. To cut targeted case management in behavioral health is the equivalent of cutting primary care and only treating patients in the emergency department. It is the equivalent of cutting mammograms and only reimbursing physicians for breast cancer treatment. Targeted case management is prevention in behavioral health, providing a "warm hand off" that increases client follow-through and engagement in services.

   The Alliance recommends immediate reinstatement of bridge funding for Case Management to alleviate the current emergency in behavioral health. In addition, a Case Management Joint Taskforce should immediately be created to design a sustainable Case Management system for Montana.

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The Case Management Joint Taskforce should consist of Behavioral Health Alliance members from both children and adult-serving agencies that provide case management services with representatives from the DPPHS Children, Adult and SUD Departments. A sustainable Case Management Program for Montana will require different State Departments to work together with providers to develop an over-arching program rather than have siloed Department responses from the State addressing children, adult and SUD case management.

Many of the problems surrounding targeted case management were created due to the over-utilization of case management. The Alliance and the DPHHS need to work together to:

1. Develop licensing requirements for agencies providing case management that increase and maintain the professionalism of the service;
2. Identify quality, outcome-based data from the case management providers to ensure a high-quality product is being provided;
3. And, establish reimbursement that supports a professional case management program through the state.
4. In addition, the Joint Taskforce should address the 2-hour time limit for Community Based Psychiatric Rehab and Support (CBPRS). Many of the duties provided by case managers in the past are more appropriately and cost-effectively delivered by CBPRS staff.

3. **Reinstate the group reimbursement rates and rollback the Administrative Rules regarding pre-authorization, continued stay, and outpatient therapy.**
The limited number of mental health and substance use providers in the state are now spending hours per day complying with pre-authorization and continued stay treatment documentation, rather than seeing and treating patients. In addition, patients are barred from receiving multiple services in a day, thereby making it necessary for rural patients to drive to the nearest services multiple times per week. The group rate cut coupled with the Department's decision to reimburse per group rather than per hour has caused several SUD providers to eliminate intensive outpatient treatment because it is not financially sustainable. These changes have negatively impacted the continuum of care in rural Montana. The result of these unnecessary rules has been to further limit much-needed treatment available for Montana's citizens.

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Please consider reinstating the 24 sessions per year for non-seriously emotionally disturbed (SED) youth for outpatient therapy. Many of these children have experienced trauma, abuse and neglect. They will need more than 10 sessions a year to maintain in their home.

According to the AHEC Montana Workforce Statewide Strategic Plan, over one-fourth of all counties in Montana do not have any type of mental health or substance use providers.[i] Even the Montana DPHHS is unable to staff to support these new documentation rules, with Director Hogan calling the cuts to staffing "unsustainable."[ii] These rule changes have produced no efficiencies or cost-savings for the State. Immediately suspending some of these unnecessary documentation rules will save the State money.

4. **Reinstate or offer relief for Home Support Services (HSS) for children's providers and therapeutic foster care.** Home Support Services allow children to remain in their homes or in foster homes rather than to be sent to congregate care or an out-of-state institution at much higher costs. In-home support for Montana's most vulnerable children and families continues to dwindle due to budget cuts, and again, Montana's rural communities are hardest hit, with Homes Support Services no longer available in most of rural Montana. A rate that correlates with the costs of a living wage and the drive time involved in serving families in their home will enable agencies to provide this valuable service to larger services areas.

   The Alliance recommends that bridge funding for this important service be immediately reinstated. An HSS Joint Taskforce with Alliance children's providers and DPHHS Children and Families Department representatives should be created to develop a sustainable, evidence-based program that supports foster and birth families in Montana. Clear outcomes need to be developed by the Joint Taskforce to ensure that quality services are being provided to the children.

5. **Reinstate the Room and Board Reimbursement for children's therapeutic group homes.** There is no alternative for families who need to place children in group homes within the state and the cost of seeking care outside of the state is much higher. Only children who are being discharged from a higher acuity facility are allowed room and board and only for 90 days. These restrictions are forcing many children's providers to reject applications from Montana children as the indiscriminate 90-day limit does not provide enough time for quality treatment and increases the likelihood of multiple placements and a return to a higher acuity, more costly facility.

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As the Alliance of mental health and substance use providers in the State of Montana, we respectfully request that the Governor's Office work with us to remedy the frightening condition of behavioral health services in the State of Montana and return to providing care for Montana's most vulnerable citizens.

Respectfully,
Jim Fitzgerald, Board Chair,
Sydney Blair, Board Vice Chair,
Lenette Kosovich, Board Secretary,
and all Behavioral Health Alliance of Montana Members.

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[i] http://healthinfo.montana.edu/Strategic%20Plan%202017.pdf

[ii] https://missoulian.com/news/government-and-politics/montana-health-department-calls-staffing-levels-unsustainable-with-jobs-left/article_1c540afe-b846-51e9-a3ee-f0157c80c9a3.html

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